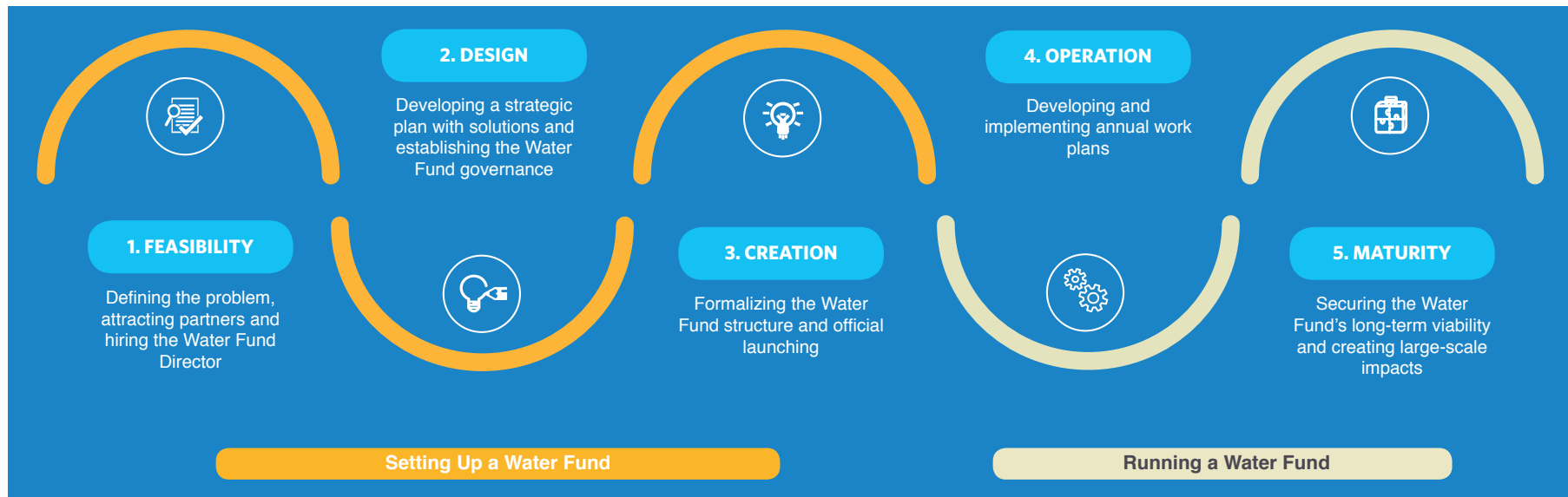


Water Funds Project Cycle

The Nature Conservancy & Partners have standardized the Water Fund development process around a 5-phased cycle: Feasibility, Design, Creation, Operation, and Maturity.



Feasibility Overview	Design Overview	Creation Overview	Operation Overview	Maturity Overview
<p>Step 1.1 Eligibility Screening Checklist</p> <p>Step 1.2 Situation Analysis Report</p> <p>Step 1.3 Decision Support Document</p> <p>Step 1.4 Gain Formal Commitments & Hire WF Director</p>	<p>Step 2.1 Formalize WF Board & Develop Charter</p> <p>Step 2.2 Start Creation of Legal Mechanism</p> <p>Step 2.3 Update Situation Analysis</p> <p>Step 2.4 Water Fund Strategic Plan</p> <p>Step 2.5 Design Studies</p> <ul style="list-style-type: none"> Portfolio of Interventions Social Impact Assessment Business Case Long-term Finance <p>Step 2.6 Monitoring & Evaluation</p> <p>Step 2.7 Pilot Projects</p>	<p>Step 3.1 WF Legal Mechanism Established</p> <p>Step 3.2 Create first Annual Operating Plan</p> <p>Step 3.3 Operational Management Readiness</p> <p>Step 3.4 Launch Event</p>	<p>Step 4.1 Annual Operating Plan</p> <p>Step 4.2 Reporting</p> <p>Step 4.3 Adaptive Management</p>	<p>Maturity Criteria</p> <ul style="list-style-type: none"> ✓ Significant % of long-term financing committed ✓ Routine reporting that documents WF's ongoing impact ✓ Influence demonstrated ✓ Positive public perception demonstrated